

VILLAGE OF COTTAGE GROVE

NOTICE OF PUBLIC MEETING

**SPECIAL MEETING OF THE
VILLAGE BOARD OF TRUSTEES**

Monday, May 23, 2016

5:00 p.m.

**Village Municipal Offices
221 E. Cottage Grove Road**

AGENDA

1. Call to order

The May 23, 2016 Special meeting of the Village Board of Trustees was called to order at 5:05 p.m. by Village President Jack Henrich.

2. Determination of quorum and that the agenda was properly posted.

It was determined that there was a quorum of members present and that the agenda was properly posted. Village Board members present were: Troy Allen, Kyle Broom, Alex Jushchyshyn, Jennifer Pickel, Harvey Potter and Village President Jack Henrich. Trustee John Williams was absent and excused. Staff present were Treasurer Deb Winter and Administrator Matt Giese.

3. Pledge of Allegiance.

4. PUBLIC APPEARANCES – *Public's opportunity to speak about any subject that is not a specific agenda item.*

None

5. Review of the 2015 audit with Amanda Blomberg and Brian Swain of Baker Tilly

Amanda Blomberg handed out the Report to the Village Board showing financial information, graphs and charts of the 2015 Village, Utility and TID Audits. Brian Swain started off reviewing the status and activities of the General Fund and General Obligation Debt. There were some questions surrounding the revenue of the general fund. Broom asked for any suggestions on how to increase revenues outside of the general tax levy to which the answer was that there aren't a lot of avenues for a municipality. Blomberg suggested looking at the Village's fee structure to see if those could be ramped up. Broom also asked if there were other options to increase investment income. Blomberg pointed out that current interest rates are not giving high returns at this time and there are a lot of restrictions on how and what governments can invest. Blomberg then reviewed the utility audits pointing out that the water utility is currently undergoing a rate case study that should be finalized soon. The water utility has and is currently undergoing a lot of updating with the new water tower, refurbishing an older tower, improvements to well #4 and the current project of a water main along Gaston Road to service the Northwest portion of the Village. These projects have added debt obligations to the water utility which is the main factor for the need to increase water revenues. Blomberg then reviewed the 3 Tax Increment Districts in the Village stating that TID #5 and TID #7 are fairly stable but that TID #6 is currently needing to be supported by the general levy. This support will have to continue until development happens in order to meet the debt obligations from the Hwy N improvements which were charged to TID #6. Blomberg then touched on the report "Communication to these Charged with Governance and Management". Jushchyshyn asked if Baker Tilly felt as though any of the internal controls reported on were ones that would be categorized as major concerns. Blomberg explained that the majority of internal control issues in a municipality of this size come from lack of staff to adequately segregate duties. Unless departments can be completely separated so that those handling cash are different from those reporting activities, you will always have items of note regarding segregation of duties. Giese stated that he and staff take this subject seriously and have tried to improve upon procedures

to mitigate and improve upon internal controls issues that can be controlled with the staff available. Potter added that over his years on the Board he has seen improvement in this area.

6. Discuss scheduling potential future meetings.

No action was taken at this time.

7. Adjournment.

Motion by Broom to adjourn at 6:10 p.m., seconded by Pickel. **Motion** carried with a voice vote of 6-0-0.

**Respectfully Submitted,
Deb Winter, Treasurer
Village of Cottage Grove
Approved:**

These minutes represent the general subject matter discussed in this meeting but do not reflect a verbatim documentation of the subjects and conversations that took place.